

## ETHICAL FOUNDATIONS BEHIND SOCIAL RESPONSIBILITY: A STUDENT SURVEY

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### **Abstract**

The path of preventing and solving the environmental problems in the world is surrounded by innovations, new technologies. However, it should not be overlooked that these are aimed at human well-being and are mainly coordinated by companies. People make decisions for people but along with different interests. Understanding the personal values behind the business decision can move forward a more responsible approach to business. The paper presents 100 government and 100 business student's opinions about business ethics by selected questions of the ATBEQ questionnaire. The results show that self-sacrifice is not kept immoral by the students, and morality can go beyond self-interest. However, the primary responsibility of companies is making money. There are few significant differences found between government and business students, but the distributions of the responses suggest different patterns of thinking.

### **Introduction**

The main source of environmental problems is social [1]. We are meeting an ever-increasing level of needs led to new technologies in agriculture, mechanical engineering, health care, or even education. New materials and new production technologies often upset the balance of nature and lead to environmental pollution. Technological and management efforts are more sophisticated but apparently not enough. Assuming that novel technologies aim for the higher satisfaction of consumer needs and considering that both purchasing and manufacturing decisions are made by people, solutions also must be found in minds. Environmental consciousness can be improved on an individual level [2], and there has been a particular emphasis on social responsibility at the corporate level for decades. Several models and approaches have been developed in the field to understand the motivations and limitations of environmentally and socially friendly behaviors. Carroll's pyramid [3] distinguishes four levels of responsibility, including economic, legal, ethical, and philanthropic ones. The review of the model in 2016 [4] confirmed that ethics permeates these levels. Economic and legal levels are marked 'required by the society'. Henceforth, ethical responsibilities are marked as expected and philanthropic level as desired. An ethical approach is presented in the early definition of Bowen about the social responsibility of a businessman: it "refers to the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society" [5].

According to environmental protection, social responsibility, or ethics, a focus on business students is mainly justified by the fact that they will be the company decision-makers in a few years. Understanding their preparedness allows for an improvement in higher education. The Attitudes Towards Business Ethics Questionnaire (ATBEQ) is an instrument oriented towards attitudes on selecting business ethics situations [6] based on the work of Stevens [7]. The curiosity of ATBEQ is that it is specially applied for business students worldwide. It is a

commonly accepted research instrument in social and management science [8]. Since the change of values is a slow and complex process, the method is applicable for exploring the fundamentals of the approach of business students to business ethics.

Clark et al. [9] give a comprehensive summary of the five moral philosophies which used to provide the basis for empirical investigations:

- “Machiavellianism: Business firms are a self-contained organism with its own ‘natural laws’ which can be bent but not broken.
- Ethical relativism: Deals with feelings and attitudes and is based on social convention, which accepts behavior sanctioned by established group norms. Hence, moral good means conforming to the way things are in a given time and place and selfishness becomes the root of all evils.
- Legalism: Doing an action or series of actions defensively out of a sense that doing it this way will promote the impression that a practitioner is ‘thorough’ and ‘covered’ from an imagined legal point of view.
- Social Darwinism: Individuals, by pursuing their own selfish interests, unwittingly and effectively promote the social welfare. Businesses survive because they obey the natural laws of competition.
- Moral objectivism: The moral guide is rational self-interest which includes the right to defy fate by making rational decisions which lead to productivity and happiness.” [9] (p.127)

### **Experimental**

The result of the paper is based on a voluntary online survey among Hungarian Higher education students. The survey questionnaire includes the ATBEQ questions based on [10]. The analysis highlights seven statements (noted the moral philosophy it belongs to). Since Machiavellianism is the most characteristic among Hungarian students in the database, questions about it and self-interest are in focus:

- The only moral of business is making money (Machiavellianism).
- Moral values are irrelevant to the business world (Machiavellianism).
- “Business ethics” is a concept for public relations only (Machiavellianism).
- A business person cannot afford to get hung up on ideals (Machiavellianism).
- True morality is first and foremost self-interested (Moral objectivism).
- Self-sacrifice is immoral (Moral objectivism).
- You should not consume more than you produce (Moral objectivism).

The respondents were asked to mark their agreement on a 5-point scale between totally disagree (1) and totally agree (5). The results are represented with the mean values of the evaluations in the figures. Analysis of variance uses the non-parametric Kruskal-Wallis H test. The significance level is observed at 5%. The data collection period ran from fall 2018 to summer 2020. The survey was managed by Evasys Survey Automation System; data analysis is supported with IBM SPSS version 25. 100 business and 100 state science students are randomly selected from the database for the analysis. Both sub-samples consist of 50 male and 50 female respondents. The representativeness of the sample is not checked.

### **Results and discussion**

According to most of the selected questions, the opinions of government and business students are close to each other (Figure 1). Students of government studies agree with the statement that the only moral of business is making money and consuming must be limited at the incomes more than business students. Significant differences (Table 1) were found about the self-

interested nature of morality; business students accept it more than government students. Self-sacrifice is generally accepted as a moral act, especially among government students.

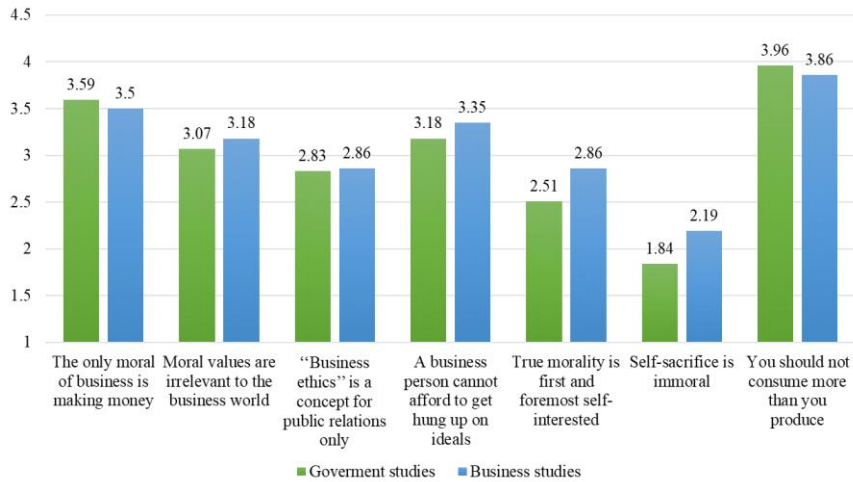


Figure 1. Mean values of the evaluations

Although the mean values do not differ remarkably between the student groups, the distribution of the responses on the 5-point scale shows the differences of opinions (Figure 2). According to the money making-nature of the business, the agreement level is stronger among the government students. True morality is first and foremost self-interested is rather agreed (score 4 or 5 marked) by 15% of government students and 37% of business students. The immorality of self-sacrifice is totally refused (score 1 marked) by 47% of the former and 31% of the latter students.

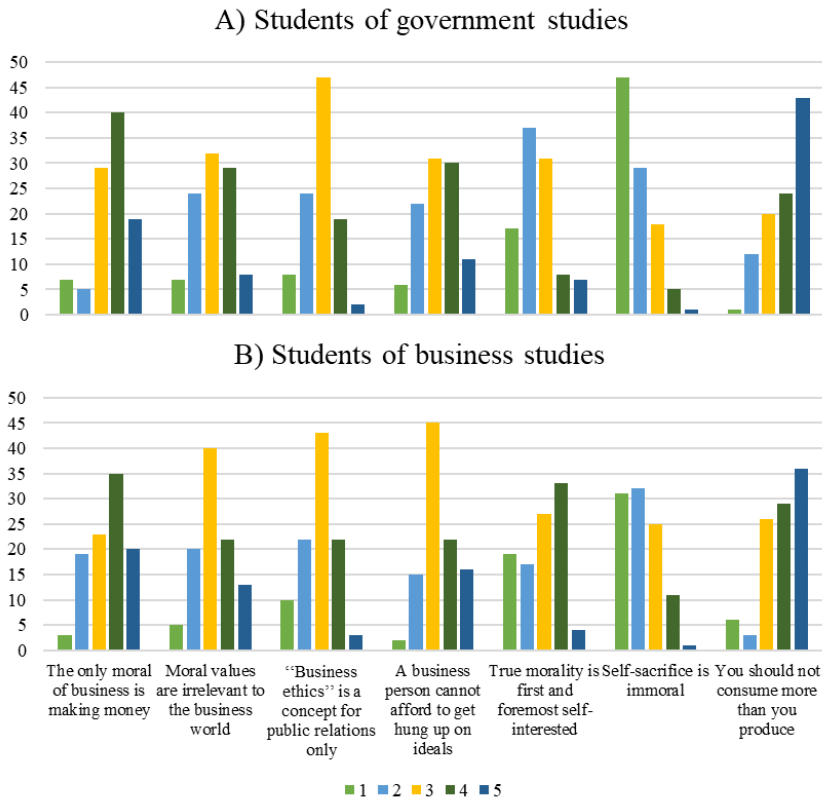


Figure 2. Distribution of results by student groups

Literature in the field often points out that females are more sensitive to environmental problems [11]. Figure 3 shows the results by study type and gender; significant results are marked in Table 1. Male respondents marked higher scores for issues that describe the self-interest of business. Furthermore, female students' scores are higher about the statements that we should not consume more than we produce, especially among business students.

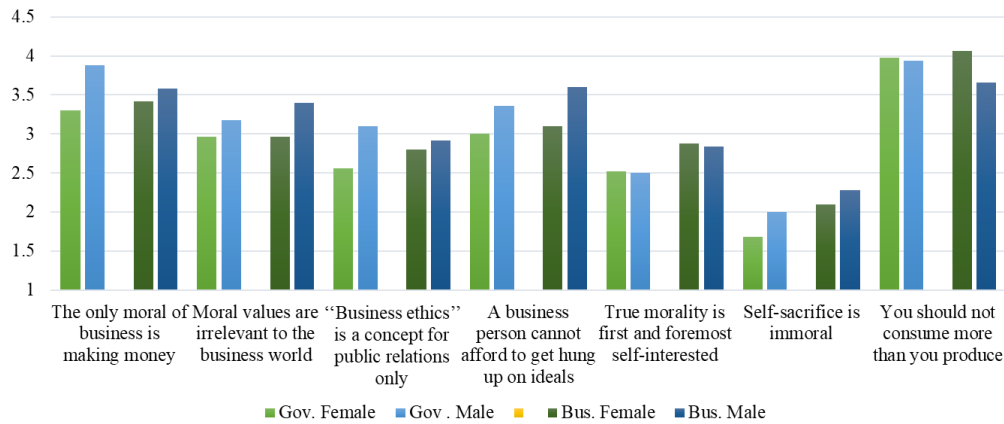


Figure 3. Results by gender

	Government and business studies		Gender, total sample		Gender, government studies		Gender, business studies	
	K-W H	Sig.	K-W H	Sig.	K-W H	Sig.	K-W H	Sig.
The only moral of business is making money	.42	.517	<b>5.472</b>	<b>.019</b>	<b>7.891</b>	<b>.005</b>	.396	.529
Moral values are irrelevant to the business world	.343	.558	<b>4.604</b>	<b>.032</b>	.989	.320	<b>4.159</b>	<b>.041</b>
“Business ethics” is a concept for public relations only	.082	.774	<b>6.775</b>	<b>.009</b>	<b>9.741</b>	<b>.002</b>	.405	.524
A business person cannot afford to get hung up on ideals	.835	.361	<b>8.137</b>	<b>.004</b>	2.337	.126	<b>6.78</b>	<b>.009</b>
True morality is first and foremost self-interested	<b>5.9</b>	<b>.015</b>	.008	.930	.24	.624	.064	.800
Self-sacrifice is immoral	<b>6.39</b>	<b>.011</b>	3.175	.075	<b>4.616</b>	<b>.032</b>	.364	.546
You should not consume more than you produce	.402	.526	1.342	.247	.028	.867	2.224	.136

Table 1. Results of non-parametric analysis of variance (significant results in bold)

### Conclusion

Considering that personal values and culture affect behavior, improving environmentally-conscious actions requires the understanding of the mindset. It is a complex challenge; the analysis of moral philosophies provides an essential point of reference for this. The analysis presented in this paper allows some warning signs for shaping the mind of the future decision-makers:

- It is encouraging that self-sacrifice is not felt immoral by the students, and morality can go beyond self-interest. Nevertheless, most of them cannot let go of the idea that the business is only for making money.

- The results confirm that females are more sensitive to social issues than males; the latter group presents a more business-oriented approach.
- The difference between government (as future policymakers) and business (as future company decision-makers) students are not significant in most questions of the analysis, but the distributions of the responses suggest different patterns of thinking. Business students are slightly more critical to the social responsibility of companies.

Accordingly, targeted interventions seem to be necessary to achieve better convergence of views of the groups and to strengthen the purpose of the concept of corporate social responsibility.

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